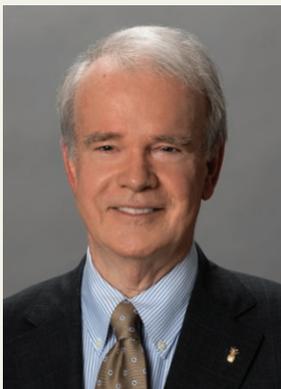


From the President



JUNE 2020



Brian E. Keeley
President and
Chief Executive Officer

The New Normal

In the three months that our team has been on the frontlines and behind the scenes responding to the COVID-19 pandemic, your collaboration and tireless commitment have been a memorable demonstration of Baptist Health's strong culture of caring for others. When the government ban on elective surgeries was lifted a few weeks ago, it was because of everyone's hard work that we were prepared to safely open our doors and confidently welcome back patients who had delayed care. Now, as we work through our "new normal," it is because of your efforts that we are seeing our patients begin to return for their care.

Our first and most important recovery initiative is growth. As we look at opportunities to reduce costs and transform our business and services, our plan is to simultaneously take necessary measures to climb toward financial stability and ensure our long-term success. In his book, "The Circle of Innovation: You Can't Shrink Your Way to Greatness," Tom Peters says: "While relative costs must remain under control, and fat kept to a minimum, it's the builders, in the long haul, who will reap the benefits." The loss of revenue as a result of COVID-19 has been significant and it will take time to recoup; however, we will continue to build upon our past in order to care for our community in the future.

Maintaining our patients' trust and safety will be key to attracting and accelerating our growth. We have invested a lot of resources in ensuring that we have the proper safety measures in place for our caregivers and community, and in assuring our community that in addition to our telehealth option through Care On Demand, our facilities are open and safe. We know delaying care is not in our patients' best interest, and we are honored to be able to provide them with the safe, trusted care that they expect from Baptist Health. Over the past few weeks, we have been encouraged to see our community gradually return to us for their care. While our emergency department volumes continue to be significantly below pre-COVID levels,



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we are seeing our surgery volume continue to grow. The graph below, shows our total surgeries by week. We are pleased to see that our patients are returning for the care they need.

Total Surgeries by Week (ASCs and Hospitals)



Last month, I shared several cost-saving measures we are taking to mitigate the financial impacts of COVID-19, starting with reducing executive salaries and curtailing matching dollars into employee retirement accounts for 2020, implementing a hiring freeze of non-essential functions, eliminating all business travel and events and reducing or eliminating overtime. All of these steps are aimed at helping us avoid other more drastic actions that others have taken such as furloughs and layoffs. All healthcare organizations are going through a difficult time — we are certainly not alone — but, thanks to the measures we've taken in the past and through this pandemic, we are able to continue to carry out our mission.

In our long history, we have had to endure and overcome economic downturns, natural disasters such as hurricanes and other unique challenges. Through unfavorable times we have always responded by keeping true to our purpose and values, and each time we have emerged stronger, wiser and even more determined to fulfill our mission of caring for our community. This particular road to recovery may be a long one, but I am confident that together we will rebound and continue to grow and thrive.

Thank you for all that you do for our patients and for each other.

Brian E. Keeley
President and Chief Executive Officer